

## 3 Milestone EPA Programs

Tier 2 Light-Duty
Vehicle Program



2007/2010 Heavy-Duty Highway Program

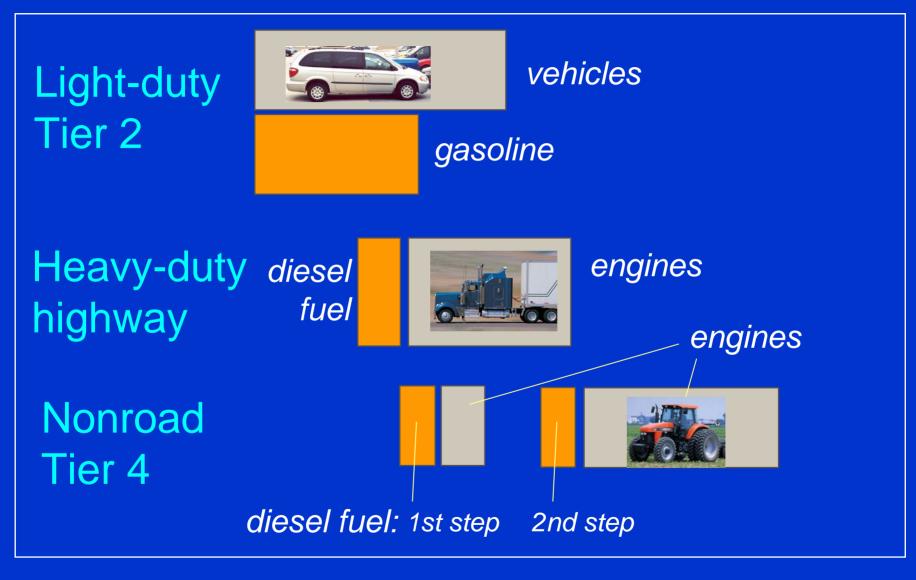


Tier 4 Nonroad

Diesel Program

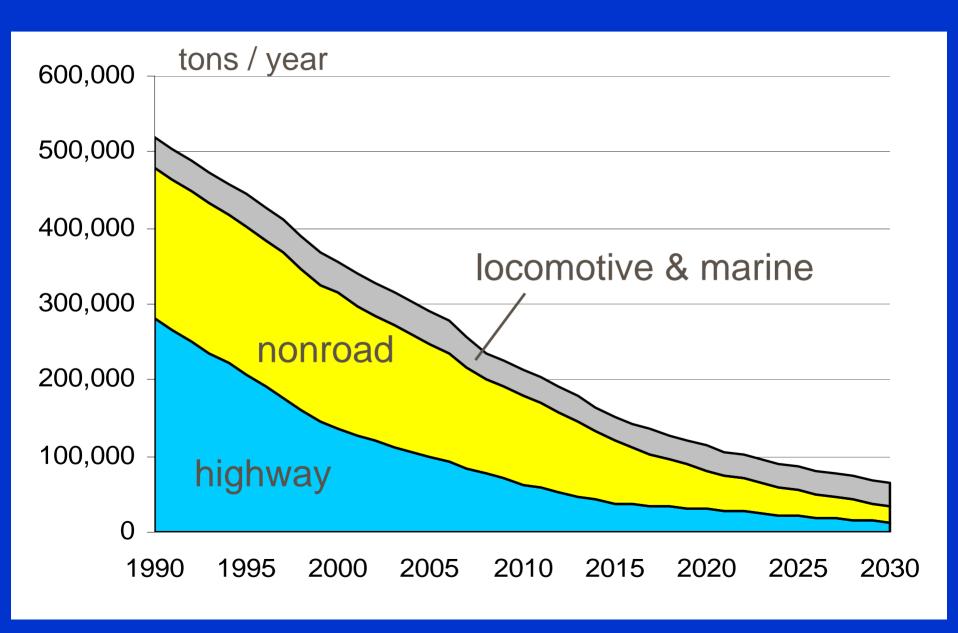


#### Phase-In of New Mobile Source Programs

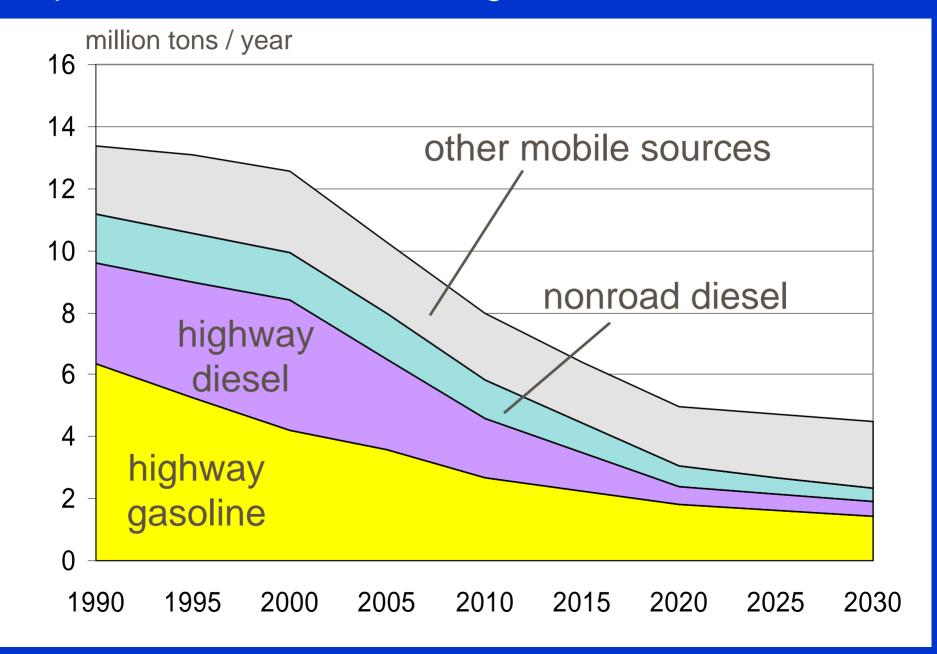


2000 2002 2004 2006 2008 2010 2012 2014 2016

#### Impact of Mobile Source Programs on Diesel PM2.5



#### Impact of Mobile Source Programs on NOx Emissions



## Designing a Program to Control Nonroad Diesel Emissions Presented Some Challenges

- Engines vary from 3 to 3000 hp
- Used in thousands of machine models
- High hurdles for emissions controls--
  - Users demand rugged machines
  - Must work in extreme conditions
- Nonroad diesel fuel is currently unregulated
  - Has ~3000 ppm sulfur (10 x more than highway fuel)
  - Harms sulfur-sensitive control technologies

skid steer loader 80 hp

genset 20 hp



backhoe loader 80 hp

> 2WD tractor 130 hp



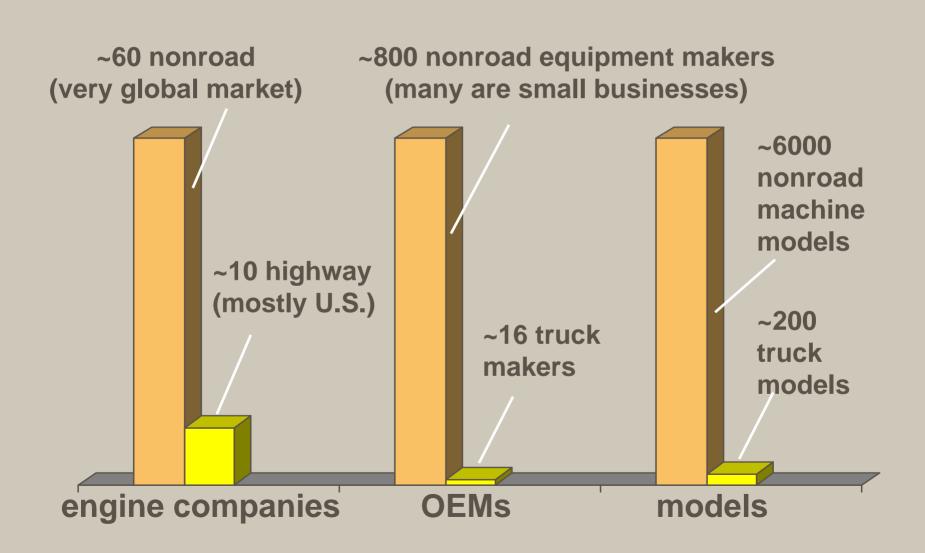
Wide Range of Diesel Machines







# Nonroad Diesel Industry is Very Diverse



### Program Considerations

- Treat the diesel fuel and engine as a system.
- Transfer advanced technology from 2007 highway program to nonroad applications.
- Get timely, large emission reductions to help States' attainment and maintenance plans.
- Provide 6-10 years lead time to deal with technical challenges and diversity of industries & products covered.
- Include flexibility provisions to minimize costs.
- Align with implementation of 2007 highway diesel program (put in place by EPA in 2001).

## Nonroad Diesels: An Effective Collaboration

- Program success keyed to extensive outreach done by EPA with all stakeholder groups
  - State and local governments
  - Environmental and public health organizations
  - Engine and equipment manufacturers
  - Oil industry
  - Emissions control manufacturers

Final rule has received widespread support

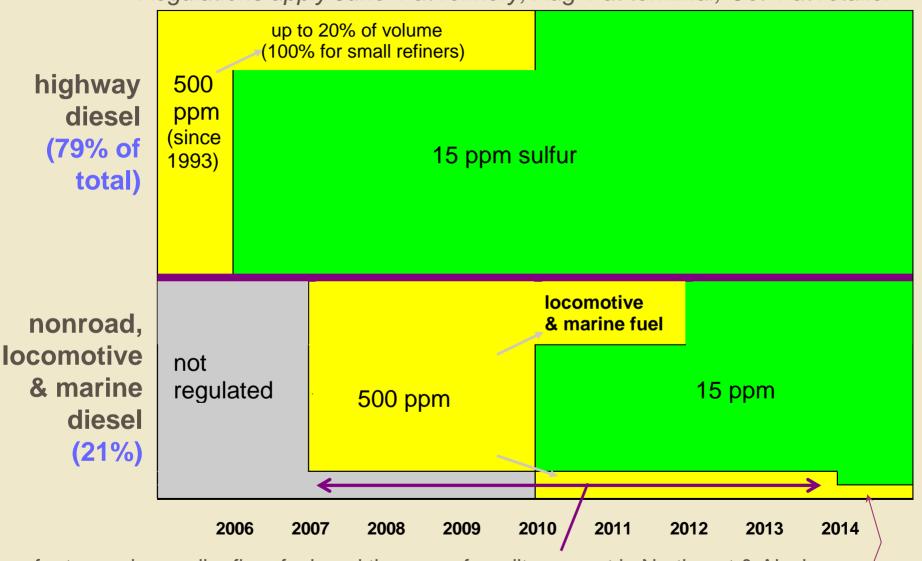
# A Systems Approach--Fuel & Engines

Patterned after the 2007 highway diesel rule:

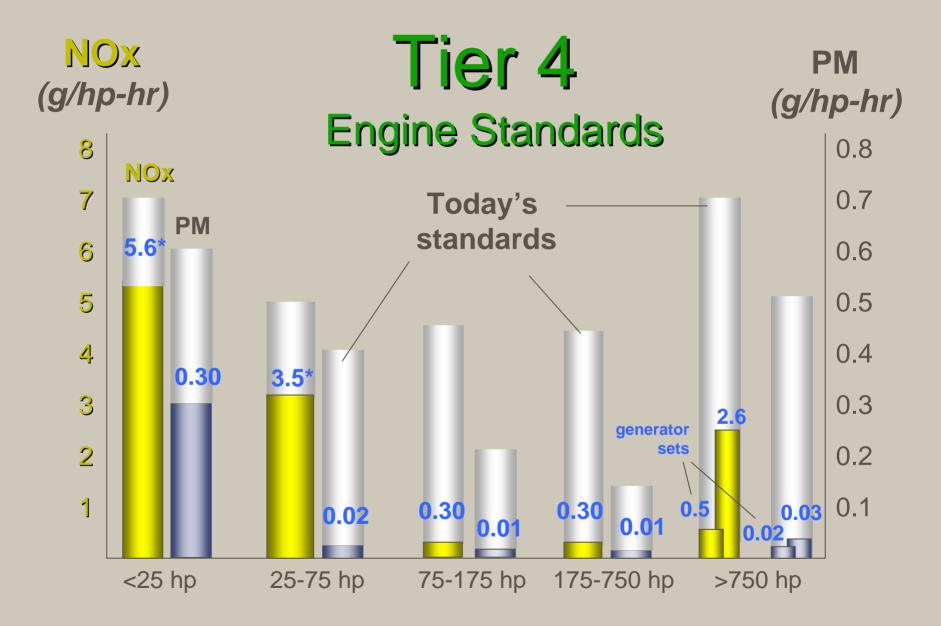
- Diesel aftertreatment
  - Stringent new standards for NOx and PM
    - Reductions of >95% PM, ~90% NOx
  - Also new test requirements to ensure control in use
- Fuel sulfur reduced to 15 ppm in 2 steps
  - Enables the aftertreatment technologies
  - AND gets large immediate sulfate PM reductions from existing fleet
  - AND lowers engine maintenance costs
    - sulfur acidifies oil, corrodes engine parts
    - benefits owners of new and old equipment

#### **EPA Regulation of Diesel Fuel Sulfur**

Regulations apply June 1 at refinery, Aug 1 at terminal, Oct 1 at retailer



for transmix, small refiner fuel, and thru use of credits, except in Northeast & Alaska (expiration date not yet set for 500 ppm locomotive & marine transmix)



<sup>\*</sup> This is a combined NOx + hydrocarbon standard



# A vivid demonstration of what this is all about

- Typical test filter current standards
- Test filter –Tier 4 PM standards
- Unused test filter

# Cost Impacts Vary with Engine Size and Equipment Application









	Skid Steer Loader 33 hp	Backhoe 76 hp	Dozer 175 hp	Off-Highway Truck 1000 hp
Long-term cost of meeting new standards	\$790	\$1200	\$2560	\$4670
Typical retail price of this equipment	\$20,000	\$49,000	\$238,000	\$840,000

# Diesel Fuel Refiner, Distributor, & User Impacts



Average fuel cost (refining & distribution): 6-7 ¢/gal

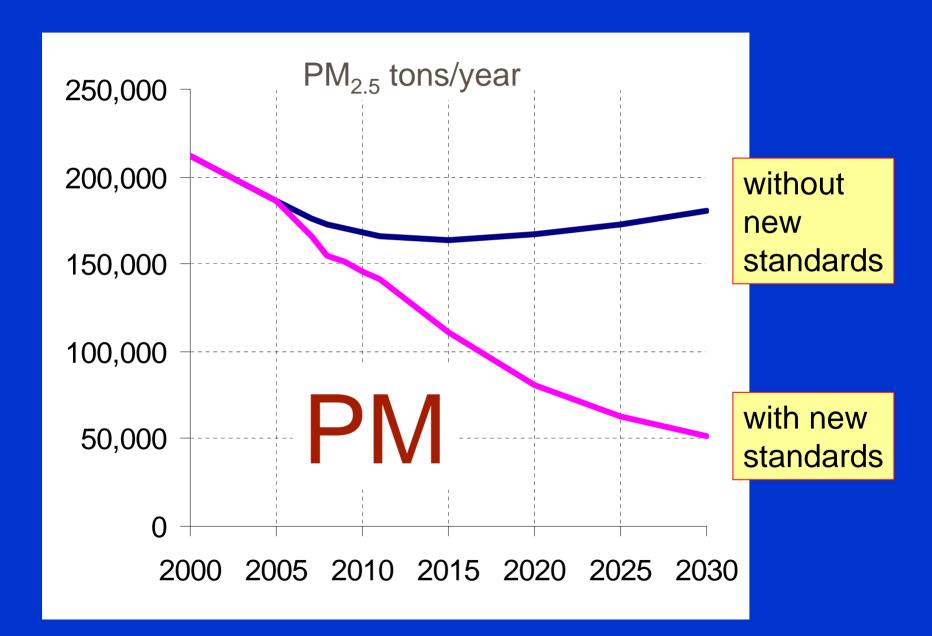
Maintenance savings to nonroad equipment owner from cleaner fuel:

~3 ¢/gal

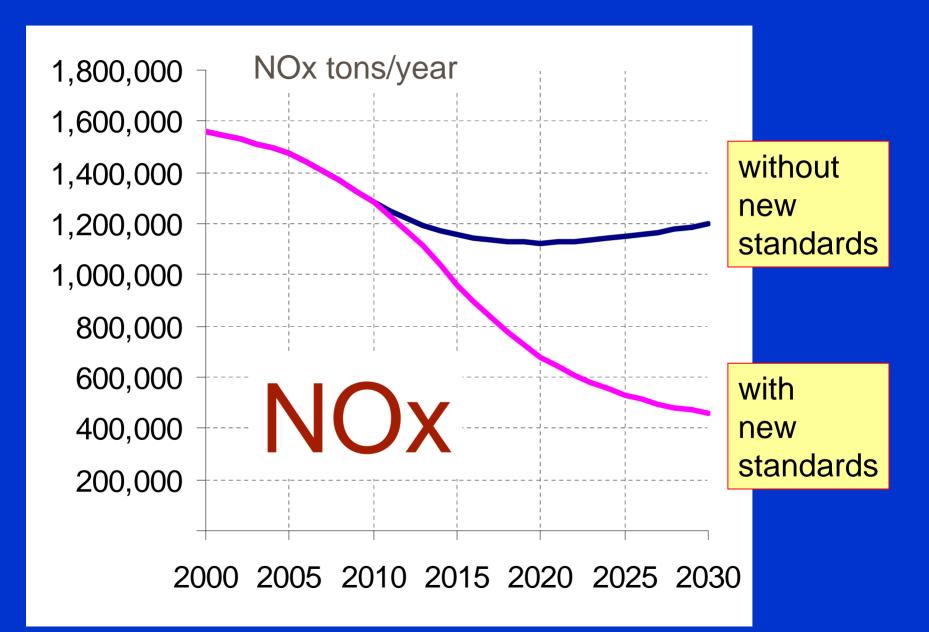
Net consumer cost of fuel change:

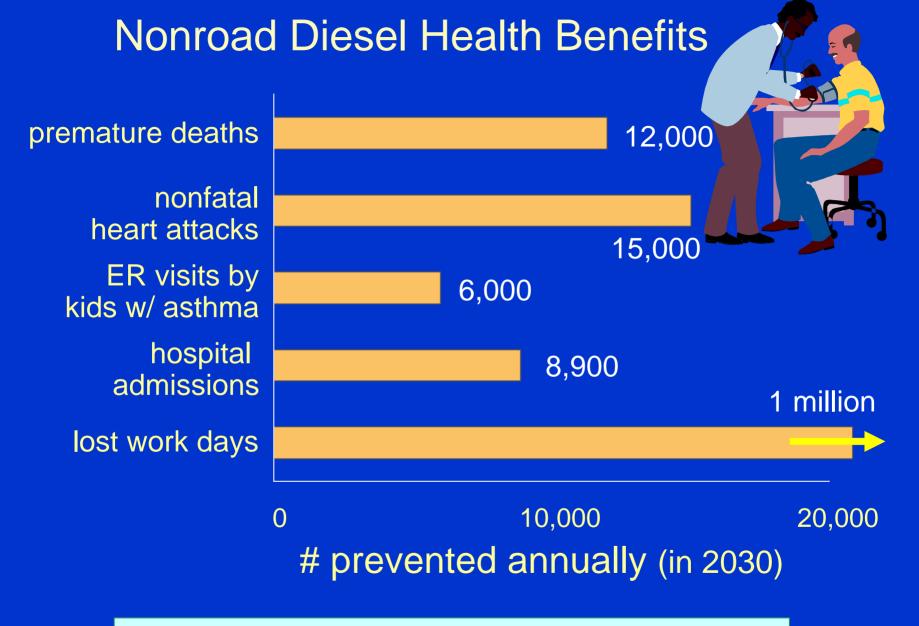
3-4 ¢/gal

#### Nationwide PM Reductions From Nonroad Diesels



#### Nationwide NOx Reductions From Nonroad Diesels





\$80B annual benefits vs \$2B cost (in 2030)

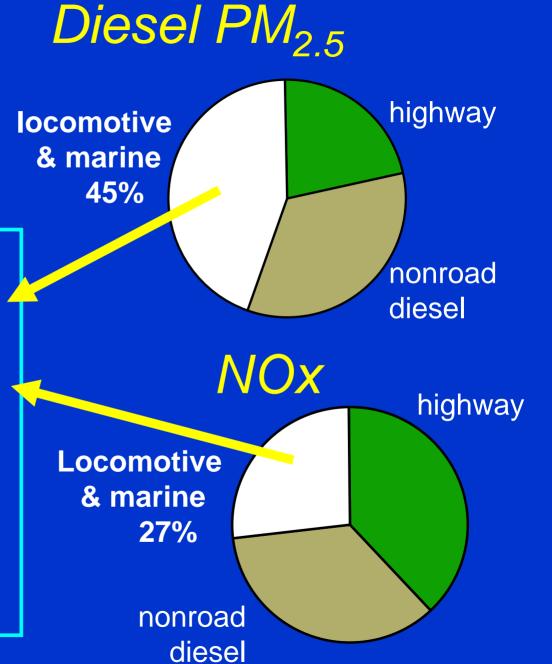
# Controlling Emissions From Locomotives and Marine Diesel Engines





## Mobile Source Inventories in 2030

- Potential reductions on the order of:
  - ~25,000 tons/yr of PM
  - ~900,000 tons/yr of NOx
- Compares to nonroad rule reductions of:
  - ~129,000 tons/yr of PM 738,000 tons/yr of NOx



# Locomotive & Marine Diesels Advance Notice

- Advance Notice signed May 11
  - Targets high-efficiency aftertreatment
  - as early as 2011
  - Patterned after highway and nonroad programs
  - Not ocean-going vessels (separate EPA action)
- Comment period open to end of August
- Starting to engage stakeholders in discussions
- Proposal planned for mid-2005